

Zero-Based Budget

Summary

The Resources budget trailer bill, SB 856 (Committee on Budget and Fiscal Review) adopted on Oct. 7, 2010, includes language requiring the Delta Stewardship Council and other state agencies with projects and programs in the Delta to provide by April 1, 2011 a zero-based budget for those programs and functions.

Background

Staff will work with the department of Finance and other state agencies to meet the April 1, 2011, reporting deadline.

Specifically, SB 856 includes:

SEC. 27. (a) It is the intent of the Legislature that a zero-based budget for programs and expenditures related to water and ecosystem restoration activities in the Sacramento-San Joaquin Delta will enable the Legislature to better understand the overall size of the state's investment in the Sacramento-San Joaquin Delta and how funds are being allocated and prioritized for particular programs and functions.

(b) (1) On or before April 1, 2011, the Governor shall submit to the Legislature a report on the budget for the 2011-12 fiscal year for all state agency programs that implement water and ecosystem restoration activities in the Sacramento-San Joaquin Delta, including activities related to the CALFED Bay-Delta Program, using a zero-based budget methodology.

(2) The budget submitted pursuant to this subdivision shall complement the budget display for the CALFED Bay-Delta Program budget annually submitted by the Governor in conjunction with the budget, and shall show all state agency expenditures that implement water and ecosystem restoration activities in the Sacramento-San Joaquin Delta. All state expenditures reported in the budget for the CALFED Bay-Delta Program for the 2011-12 fiscal year shall be reported using a zero-based budget methodology, regardless of whether the appropriation authority is continuous or on an annual basis.

(c) As used in the section, "zero-based budget methodology" means determining a budget by starting with a base of zero dollars (\$0) and adding dollar amounts necessary to conduct specific activities and operations. A zero-based budget shall set forth all of the following:

- (1) Each activity performed for which an appropriation is made or is requested.
- (2) The legal basis for performing the activity.
- (3) An itemized justification for the amount requested to perform the activity.

Contact

Keith Coolidge
Chief Deputy Executive Officer

Phone: (916) 445-4503

Livia Page
Chief of Administration

Phone: (916) 445-5325